

## Message Text

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21

ACTION EA-10

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-03 H-01 INR-05 L-01

NSAE-00 NSC-05 PA-01 RSC-01 PRS-01 SP-02 SS-15

USIA-06 COME-00 EB-04 LAB-01 SIL-01 DRC-01 /059 W

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R 180658Z OCT 74

FM AMCONSUL SYDNEY

TO SECSTATE WASHDC 5843

INFO AMEMBASSY CANBERRA

AMCONSUL MELBOURNE

C O N F I D E N T I A L SYDNEY 2233

E.O. 11652: AGDS (DECEMBER 31, 1976)

TAGS: ELAB PGOV PINS PINT AS

SUBJ: NEW SOUTH WALES WATCHES STRUGGLE BETWEEN BUILDERS'  
UNIONS

1. CLIMAXING A LONG BUILD-UP DURING WHICH THE FEDERAL BUILDERS' WORKERS INDUSTRIAL UNION WAS DEREGISTERED BECAUSE OF ACTIONS BY THE NSW BRANCH OF THE BUILDERS' LABORERS UNION, THE FEDERAL UNION WAS FINALLY GOADED INTO DECLARING WAR ON THE N.S.W. BRANCH. ON OCTOBER 7 THE FEDERAL COMMITTEE DETERMINED TO SET UP A RIVAL BRANCH IN N.S.W. AND THE FEDERAL SECRETARY, NORMAN GALLAGHER, SET UP OFFICES IN SYDNEY TO LEAD THE FIGHT WHICH GALLAGHER PREDICTS WILL RESULT IN A TAKEOVER OF THE STATE UNION.

2. THE N.S.W. BRANCH HAS TAKEN UP THE GAUNTLET VIGOROUSLY AND THERE IS STRONG COMPETITION AT BUILDING SITES AS WELL AS AT THE CONFERENCE TABLE. THE OUTCOME IS IN DOUBT ALTHOUGH MOST ARE AGREED THAT IT MAY TAKE A YEAR TO DECIDE THE VICTOR. NOT SURPRISINGLY, BOTH SIDES ARE PREPARED TO USE ROUGH TACTICS AND CHARGES HAVE ALREADY BEEN MADE TO THIS EFFECT.

3. POLITICALLY, THE STRUGGLE HAS A COMPLEX SIGNIFICANCE. FIRST, IT IS AN IDEOLOGICAL STRUGGLE BETWEEN THE AUTONOMOUS  
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COMMUNIST PARTY OF AUSTRALIA (CPA) LEAD BY JACK MUNDEY,

TREASURER OF THE STATE UNION, AND THE PRO-MAO WING OF THE COMMUNIST PARTY BASED IN MELBOURNE LEAD BY GALLAGHER. INDUSTRIALLY IT IS A CONTEST BETWEEN TWO RIVAL UNION LEADERS. MUNDEY HAS MADE A REPUTATION BY EXPLOITING THE ECOLOGY AND ENVIRONMENTAL ISSUES, REFUSING TO WORK ON CONSTRUCTION PROJECTS WHICH ALLEGEDLY VIOLATE GOOD CANONS OF ENVIRONMENT. THESE ACTIONS ARE KNOWN AS "GREEN BANS" AND HAVE EXCITED NOT ONLY THE ANTIPATHY OF BUILDERS AND SOME RIGHT WING UNIONISTS, BUT THE APPROBATION OF SOME NON-COMMUNIST ENVIRONMENTALISTS, INCLUDING CERTAIN MINISTERS OF THE LABOR GOVERNMENT IN CANBERRA. MISUSE OF GREEN BANS CONTRIBUTED TO DEREGISTRATION FEDERAL UNION WHICH HAS CONDEMNED MUNDEY FOR THEM. FEDERAL UNION, HOWEVER, HAS PREFERRED TO USE THE TACTIC OF ABANDONING CONCRETE POURINGS AT CRITICAL MOMENTS AS AN INSTRUMENT OF INDUSTRIAL PRESSURE.

4. POLITICALLY MANY OBSERVERS, INCLUDING ALP AND OTHER UNION OBSERVERS, ARE INCLINED TO TAKE SATISFACTION FROM A WAR BETWEEN TWO COMMUNIST LEADERS AND AT THE SAME TIME TO HOPE FOR A VICTORY BY GALLAGHER WHO APPEARS TO BE THE LESSER THREAT IN SYDNEY. THIS IS THE POSITION OF LABOR COUNCIL OF NEW SOUTH WALES WHICH, HOWEVER, IS TACTICALLY COMMITTED TO SUPPORT MUNDEY WHOSE UNION HAS STATE REGISTRATION. FEDERAL EXECUTIVE OF ACTU, HOWEVER, REMAIN IN THE BACKGROUND OBSERVING THE STRUGGLE. LEADERSHIP OF THE CONSTRUCTION INDUSTRY IN N.S.W. IS COOPERATING GENERALLY WITH GALLAGHER AS IN INSTRUMENT FOR REDUCING MUNDEY.

5. COMMENT: THIS QUARREL BETWEEN TWO UNIONS AND TWO COMMUNIST FACTIONS WILL PROBABLY CONTINUE FOR SOME MONTHS AND AT VARIOUS TIMES MAY ERRUPT INTO VIOLENCE AND AT THE SAME TIME MAY OCCASIONALLY BECOME A LITMUS FOR TESTING LEFT WING TRENDS IN AUSTRALIA. IT MAY ALSO PROVIDE SOME DIFFICULT MOMENTS FOR THE ALP.  
HANNAH

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## Message Attributes

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**TAGS:** ELAB, PGOV, PINS, PINT, AS  
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